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## HUDSON'S BAY COMPANY.

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A General Court of the Governor and Company of Adventurers of England trading into Hudson's Bay was held on Monday, July 8, 1912, at the Cannon-street Hotel, London, E.C., LORD STRATHCONA and MOUNT ROYAL, G.C.M.G. (the Governor), presiding.

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The SECRETARY (Mr. F. C. Ingrams) read the notice convening the meeting and the auditor's report.

The GOVERNOR, who was received with cheers, said :— Ladies and gentlemen, I presume it is your pleasure that the report, which has been in your hands for some time, should be taken as read. As the essential details are furnished in the report, I do not propose to trespass on your valuable time by repeating the facts that are enumerated therein. The results of trade as shown by the report and accounts are very gratifying to your directors, and should be highly satisfactory to you as fellow-shareholders. The total profits for the year are £196,070 6s., and the amount at the credit of land account is £273,267 19s., making together £469,338 5s. The sums brought in from last accounts are—on account of trade, £121,887 0s. 5d. ; on account of land, £298,556 18s. 3d., together £420,443 18s. 8d., making a total of £889,782 3s. 8d. The interim dividend paid in January of £1 per share, say, £100,000, reduced the balance to £789,782 3s. 8d., from which a dividend of £3 per share is recommended, which will absorb £300,000, and leave £489,782 3s. 8d. to be carried to next account, or £69,338 5s. in excess of last year's carry forward. While it has been the policy of the board in the past to make some preparation for the

time when the fur trade should have diminished to insignificant proportions, events in Canada have moved so rapidly in recent years as to necessitate energetic measures being taken promptly to retain the good will that exists throughout Canada towards the company, by the extension of the salesshops branch of the business, and it is to enable this work to be put in hand that it is necessary to carry forward such a large sum as £489,782 3s. 8d. Under the able management of your stores commissioner, a very material improvement has been effected in this branch of the company's business. The balance of old stock remaining on hand has been disposed of, and the trading accounts overhauled, so that we can now report a very considerable increase of business of a more profitable nature. The new stores at Vernon and Kamloops are showing improved results, while it is hoped that the new Calgary Store will be ready for occupation in the autumn. This is most important, as it is impossible to handle the amount of trade offering in the limited accommodation at present at our disposal. Vancouver is in a similar state to Calgary, and building operations must be commenced there at the earliest possible date, while alterations at Winnipeg, Fort William, and Victoria cannot be long delayed. The style of architecture for these buildings was selected after careful consideration, and will be practically the same in each instance, so that a person travelling through Canada, having seen one store, will be able to recognize the others at a glance as Hudson's Bay Stores.

#### THE FUR TRADE.

As you are aware, the quantities of furs brought to market vary according to the periodic increase or decrease of fur-bearing animals. The cycle is about  $7\frac{1}{2}$  years between highest and lowest quantities. The number of furs offered for sale this year was, in some instances, slightly in excess of those offered last year, and the prices realized were higher. The profits were on the whole satisfactory, notwithstanding the fact that greater expenditure had to be incurred in acquiring the furs owing to the keen competition prevailing and the rapid opening up of the country to civilization. To assist in meeting this competition, and to enable the company to retain its position in the fur trade, new steamers have been placed on certain rivers, and other propositions are under consideration by which it is anticipated that goods will be got to their

destination and returns brought out more expeditiously and more economically than heretofore. The information to hand from outlying districts regarding fur prospects points to an average collection being secured during the coming season, and as the furs sold at the recent sales have gone freely into manufacture, it is hoped that good prices will again prevail. The steamers Pelican and Discovery, and the chartered steamer Beothic made satisfactory voyages to the Labrador, Hudson's Straits and the Bay with supplies, and brought out the returns from the various posts in these districts. This year the work hitherto performed by the Pelican and Discovery with the aid of a chartered vessel is being undertaken by the Nascopie, in which the Hudson's Bay Company are the predominant partners. This vessel was built by Messrs. Swan, Hunter, and Wigham Richardson, and embodies the latest improvements in the construction of vessels for the sealing industry and Arctic navigation, and can yet be employed profitably in the winter season when those waters are not navigable.

#### LAND SALES.

We now come to the land. The large acreage sold last year was, as you will doubtless remember, owing to the sale of considerable areas to the Canadian Pacific Railway Company and the Canadian Agency, totalling 151,183 acres, but excluding these special sales the quantity sold this year shows a great reduction on the ordinary sales of 1911, being only 42,554 acres, as compared with 115,855, or including the above special sales 267,038 acres. The average price obtained in the year under review, however, is considerably higher, being £3 18s. 1d. per acre, as compared with £2 17s. 8d. for the preceding year. As a whole, the land market remained firm throughout the year, and while no period of special activity was experienced, a fair demand was maintained at good prices for what could be regarded as sound investments in offerings of agricultural lands as well as town lots. The falling off in sales is mainly accounted for by the unfavourable harvest season experienced last year, but it is gratifying to be able to report that considerable quantities of wheat which were materially reduced in quality were eventually marketed at such prices as to minimize the loss. Payments of instalments and interest on account of land sales, in spite of the somewhat

disappointing season, have been well met. The particulars of sales of farm lands for the past six years are :—

Year.	Amount realized.	Average per acre.
1906-7 ..	140,089 acres for £281,637 18s. 11d. ..	£2 0s. 2d.
1907-8 ..	21,214 acres for £ 54,937 16s. 2d. ..	£2 11s. 9d.
1908-9 ..	25,449 acres for £ 59,349 17s. 3d. ..	£2 6s. 7d.
1909-10 ..	104,383 acres for £266,600 4s. 9d. ..	£2 11s. 1d.
1910-11 ..	267,038 acres for £770,089 9s. 7d. ..	£2 17s. 8d.
1911-12 ..	42,554 acres for £166,221 7s. 4d. ..	£3 18s. 1d.

#### SALES OF TOWN LOTS.

The sales of town lots during the year are again in excess of those for the preceding 12 months, being £166,580 2s. 9d., as compared with £80,169 2s. 11d. for 1911 and £46,259 5s. 3d. for 1910. The sales at the principal townsites were as follows :—Edmonton, 128 lots and 2 plots for £78,022 ; Kenora, 4 lots and 1 plot for £10,372 ; Athabasca Landing, 289 lots for £43,495 ; North Battleford, 153 lots for £7,635 ; Fort William, 8 lots and 1 plot for £3,203 ; Prince Albert, 39 lots for £5,168 ; Winnipeg, 1 lot and 1 plot for £1,912 ; Victoria, 8 lots and 2 plots for £14,586 ; other town lots for £2,187, making a total of £166,580. You will recollect that last year mention was made of the improved state of the townsite market at Edmonton, and it was apparent that it was only a matter of selecting an opportune time for effecting sales to ensure handsome results. The company's remaining land was accordingly laid out, and about half the area was put up for sale in May, with the result that lots were disposed of amounting to the value of £902,732. Payment is to be made on the usual instalment plan. No part of this sum comes into the accounts now presented to you. At Athabasca Landing the company entered into a joint townsite agreement with the Canadian Northern Railway, conditional on the railway company establishing its station and station grounds on the company's reserve there, and as a result of the activity created by the advent of the railway, 219 lots were disposed of for £43,495, and advantage will be taken of favourable opportunities as they may offer to dispose of the remainder of the company's holdings there. In Winnipeg the Realty Market continues fairly active. The Fort Garry Hotel, on Broadway, now in course of construction, following the operation of the new union terminals at Main-street and Broadway, is stimulating land values in the district in which the company's remain-

ing property in that city is situated. In Victoria the Real Estate Market continues to improve, and fully justifies the conservative manner in which sales have been made of the company's holdings there. There are satisfactory indications that the conditions at North Battleford, Prince Albert, and Fort William are also improving. At the other townsites in which the company is interested it is anticipated that the demand for lots will be of an intermittent nature and confined to requirements for specific purposes. Payments on account of surveys, municipal and other taxes, and expenses show an increase of £11,502 19s. 2d., being £96,096 2s. 6d., as against £84,593 3s. 4d. The comparative disbursements for taxes for the year, compared with those for 1910-11, are as follows :—

	1910-11.	1911-12.
Municipal .. ..	£14,110	£20,030
Local Improvements .. ..	19,189	20,249
School Districts .. ..	12,432	11,158
Townsites .. ..	23,599	29,676
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	£69,330	£81,113

The chief increases in taxation of townsites for the fiscal year were at :—Edmonton, £1,527 ; Prince Albert, £1,746 ; Winnipeg, £517 ; Victoria, £1,045. Grazing leases producing an annual rental of £1,804 were entered into, and compare with a rental of £1,647 obtained from the same source in the preceding year.

#### THE COMPANY'S RIGHTS TO LAND.

During the past season the Company's surveyor and the staff acting under him inspected 486,200 acres, comprised in the Company's regular Sections 8 and 26 in each township (which are retained by the Company under the terms of the Deed of Surrender and Dominion Lands Act), and 204,886 acres of unoccupied Government Lands, the latter being selected for the company to apply against areas taken in exchange by the Government for specific purposes. Concerning these areas the Company have the right to select from any unoccupied Government lands within the Fertile Belt extending from Lake Winnipeg on the east to the summit of the Rocky Mountains on the west, and from the International Boundary on the south to the northern branch of the Saskatchewan River on the north, thus assuring to the Company full value

for lands relinquished. The total lands accruing to the Company to March 31, 1912, on the basis of the latest township plans amounted to 6,241,302 acres. The quantity sold to that date (excluding cancelled sales in which case the land reverts to the Company, totals 2,113,501 acres, to which must be added 68,369 acres handed over to the Government as an exchange for an equal area of Government land to be selected by the Company and 1,381 acres of lands taken for town-sites, making a total of 2,183,251 acres, and leaving in the possession of the Company 4,058,050 acres. The approximate area of lands to accrue to the Company from the unsurveyed portion of the Fertile Belt under the provisions of the Deed of Surrender, is upwards of 1,115,830 acres.

#### THE CURRENT FINANCIAL YEAR.

It has been customary in the past to give the results of the Land Department for the first quarter of the current financial year, which are not comprised in the statement of accounts submitted. The figures are as follows:—

1912.	Farm Land Sales.					Ave. per acre.	Sales, Town Lots.				Total.					
	Acres.	£	s.	d.	£	s.	d.	Lots.	£	s.	d.	£	s.	d.		
April ..	7,124	for	29,437	4	0	4	2	7	92	for	20,171	12	1	49,608	16	1
May ..	4,225½	„	18,718	8	14	8	7	737 & 5								
								plots for	463,238	1	2	481,956	9	3		
June ..	7,059½	„	28,827	16	14	1	8	907 & 1								
								plot for	465,632	17	6	494,460	13	7		
Totals ..	18,409½	for	76,983	8	24	4	4	3	1,736 & 6							
								plots for	949,042	10	9	1,026,025	18	11		
1911.	Farm Land Sales.					Ave. per acre.	Sales, Town Lots.				Total.					
	Acres.	£	s.	d.	£	s.	d.	Lots.	£	s.	d.	£	s.	d.		
April ..	3,046	for	10,215	8	2	3	7	0	63	for	14,466	3	3	24,681	11	5
May ..	4,454	„	16,624	11	5	3	14	7	79 & 1							
								plot for	16,343	0	3	32,967	11	8		
June ..	2,020	„	7,310	19	2	3	12	4	34	„	2,126	14	3	9,437	13	5
Totals ..	9,520	for	34,150	18	9	3	11	9	176 & 1							
								plot for	32,935	17	9	67,086	16	6		

The receipts during this period amount to £354,200 10s. 4d. as compared with £109,318 4s. 7d. for the corresponding period of last year, an increase of £244,882 5s. 9d. This comprises not only receipts on account of sales effected since the closing of the land account on March 31 last, but also the deferred instalments accrued on earlier sales. Railway development continues with great activity, and the three



great railways are constructing branches throughout the North-West.

According to the official returns there arrived in Canada for the year ending December 31 last 351,000 immigrants, of whom 223,000 came from Great Britain and Continental Europe, while 128,000 came from the United States. A very satisfactory feature of the ever-increasing number of settlers is the fact that a larger proportion of British subjects is yearly apparent, and that individually they are with few exceptions a good class of settlers.

#### CABLES FROM THE COMPANY'S COMMISSIONERS.

I will now read three cable messages just received from the Company's Commissioners in Canada:— The Land Commissioner says:— "Continuous dry hot weather for past two weeks caused some anxiety particularly in Southern Manitoba and South-Eastern Saskatchewan. Good showers have fallen during past 24 hours over entire wheat belt, which will materially improve situation. Should rain continue during ensuing week prospects for average crop good. Conditions in Alberta generally more favourable. Good winter wheat crop fairly assured.—THOMSON." The Stores Commissioner.—"Am pleased to report increase in total sales for all stores for five months ending June 30 approximating one million dollars, all points showing healthy increase, but many requiring additional facilities to properly cater for large trade offering. Have reason to believe this rate of increase will be maintained during balance of year provided present crop prospects materialize. I look forward with every confidence to extensive development of the Stores business from the additional facilities to be provided.—BURBIDGE." The Fur Trade Commissioner telegraphs "that prospects of fur trade are generally satisfactory."

#### TRADING PROSPECTS.

I have now given you a statement of the business for the year with which we are dealing. With regard to the fur trade, while it must necessarily diminish more or less, I think you may look forward to having for a very considerable number of years yet a fair profit from that which only a few years ago was the great business, and, in fact, the only business, of the Hudson's Bay Company—that of securing furs; and looking to their prestige and to the feeling throughout the

whole country that the Hudson's Bay Company deal liberally and honourably with every one, I think you may count upon it that you will still have very considerable profits from that source. (Cheers.) With regard to the sale shops, the conditions of the country, as you know, are very greatly changed indeed. With a population of 8,000,000, instead of less than half that 20 years ago, there is room for extending the sale shops business very largely indeed throughout the whole of the North-West. This the company are taking advantage of, and we have every assurance that the business will become more and more extensive and more and more profitable year by year, so that from this source you may also look for very good results. (Hear, hear.) As to the Land Department, I think you will see in the figures I have put before you for six years that the conservative policy of your directors has resulted in the greatest advantage to the company. (Hear, hear.) Look back only eight years—look back ten years, if you like—and you will find that the average price then per acre was £1 3s. Eight years ago it was £1 5s. 4d., and so it began increasing year by year until in the present year for land by no means or in no way better than that which was sold for £1 3s. the average price is £3 18s. 1d. (Cheers.) You have property still of something like 5,000,000 acres with what is accruing to you, so that you will at once see what a great advantage we have gained by not having thrown land on the market unnecessarily and at the very low prices, which you might easily have done, and so have given very considerably greater profits than the shareholders obtained, but at the same time at the sacrifice of the future. I think you will see that your directors throughout these years have acted with great consideration for your best interests. (Cheers.)

#### “COMPLICATED ACCOUNTS.”

It has been said on some hands, and not unreasonably said, too, that the accounts are somewhat complicated. We hope in the reorganization going on with regard to the business that this will be to a certain extent got rid of, and that the accounts will be in a more simple form than they have been hitherto. But you are all aware that the business of the Hudson's Bay Company is a very different one from that of any business carried on in the City of London or in Great Britain generally, and that it was not possible to show the



profits from one source and the other so easily as could be done in a business here. Now, let me say one word, as we have on former occasions, with regard to the exertions of your officers in Canada. We have cause to be satisfied, I think, in every respect. As has been the case throughout the many years' existence of the Hudson's Bay Company, they are loyal to the Company, looking first to its interests before considering any convenience or advantage to themselves. I feel, therefore, that the best thanks of the shareholders are due to their officers in the different Departments in the North-West. (Cheers.) We have equal cause to be satisfied with those connected with the home departments here in London. (Hear, hear.)

#### THE NEW CHARTER.

Let me say just one word more, as a question may be put, with regard to the new Charter which comes up on Friday. As it was received from the Privy Council only at the very last moment we have thought it better to say nothing further about it now. It is in your hands, and it will be brought up and dealt with on Friday of this week. Having said so much, I have really nothing further to put before you than to move the adoption of the report, which will be seconded by the Deputy-Governor. Meantime, if any ladies or gentlemen should desire to ask any questions or to put anything before the Court, we shall now be glad to hear them. (Cheers.)

The DEPUTY-GOVERNOR (Sir Thomas Skinner, Bt.) seconded the resolution.

#### SHAREHOLDERS' VIEWS.

Mr. R. WARD said he was quite sure that every shareholder heartily congratulated Lord Strathcona on being with them that day and telling them so much of interest as he had done in his speech. (Hear, hear.) In reference to the stores he wished to ask a question. A report had been going about that in Victoria a large sum had been paid by the company for a plot of land, the general idea being that it was the board's intention to build departmental stores there. He should like to know if that was the case or not. He congratulated the board on the appointment of an advisory Committee in Winnipeg, and on the clever way in which they had conducted

the sales of the Edmonton property, and he hoped to see a repetition of it. (Laughter and "Hear, hear.")

Mr. SAMUEL, after endorsing the remarks of the previous speaker with reference to the pleasure which it afforded all present to see Lord Strathcona again in the chair, said that he thought too large a sum was being carried forward, and that the shareholders were entitled to have at least a further 10s. a share as dividend.

Mr. HENRY CLARKE said that he was, next to the chairman, perhaps the oldest man in the room, being over four-score years. It would therefore be to his advantage to support a proposition for a larger immediate dividend, but he had such great confidence in the Governor and the committee that he felt perfectly sure their policy was the best one for the company in the long run. (Cheers.)

#### THE GOVERNOR'S REPLY : DIVIDEND PROSPECTS.

The GOVERNOR.—We are very happy indeed to have listened to what was said by our friend Mr. Robert Ward. On former occasions I have told you that he knows a very great deal indeed with regard to Canada and with regard to the conduct of the Hudson's Bay Company's business there. Most fitted he is to give advice, and I am happy to know that he is satisfied with what has been done during the year with which we are now dealing. As to Victoria, it is the intention of the board to erect another building there, as with the great increase throughout the whole of British Columbia we feel that our interests will be well served by having a Hudson's Bay Company's store there as well as in Vancouver, where it is doing so admirably well at the present moment, and throughout the whole of the North-West. As I have already said, there is already confidence in the Hudson's Bay Company, which itself is of the greatest benefit to them. With regard to giving another 10s. of dividend, we felt that we were doing what was best by giving the shareholders £4 per share for the present year, of which £1 per share was by way of interim dividend ; but we are not without hopes—I say it advisedly—we make no promise, but we are not without hopes, that the outcome of the business of the year we have entered on will be such that the shareholders may with good reason look for a better

dividend, and a considerably better dividend. (Cheers.) Of course, we make no promise to that effect (laughter)—but leave it at that. With regard to our friend, Mr. Henry Clarke, who has been so long one of our very oldest shareholders, it is a very great pleasure to have his agreement upon what has been done and is being done by your board. May I just say with regard to the Hudson's Bay Company that this is the 75th year that I have been connected very closely with it. (Cheers.) I entered the company's service as a junior officer, or, as it was called, an apprentice clerk, and now I have the great honour and privilege of seeing a condition of matters which at that time could not have been dreamed of by any shareholder of the Hudson's Bay Company. They were contented with a very small dividend and occasionally were satisfied that the dividend should be passed for one year in the hope that there might be one the next year. Everything has taken a very great change since then. That the business of the company has been conducted well and satisfactorily on both sides of the Atlantic is shown by the position in which it is now. (Hear, hear.) Of course, circumstances are such that in those years it was impossible to do what is being done now; but what is required is to take advantage of the opportunities of the moment and to do the best that can be done always in a conservative way, looking to the continuance of the best interests of the company for many years to come. (Cheers.)

The motion was then carried unanimously.

The DEPUTY-GOVERNOR then proposed the re-election of the retiring directors—Lord Strathcona, Mr. John Coles, and Mr. Richard Burbidge.

Mr. RUSSELL STEPHENSON seconded the proposal, and it was unanimously agreed to.

The auditor, Mr. Thomas A. Welton, was reappointed, and the proceedings terminated with a cordial vote of thanks to the Governor.

